


Annual Report

1923 1924 1925 1926 1927 1928 1929 1930 1931 1932
1933 1934 1935 1936 1937 1938 1939 1940 1941 1942
1943 1944 1945 1946 1947 1948 1949 1950 1951 1952
1953 1954 1955 1956 1957 1958 1959 1960 1961 1962
1963 1964 1965 1966 1967 1968 1969 1970 1971 1972 1973





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Financial Highlights

	1973	1972	Change
INDIVIDUAL INSURANCE			
New Premium	\$ 2,587,000	\$ 1,786,000	+45%
Total Premium	\$10,370,000	\$ 9,141,000	+13%
GROUP INSURANCE			
New Premium	\$ 2,802,000	\$ 1,061,000	+164%
Total Premium	\$ 5,579,000	\$ 3,874,000	+44%
ASSETS	\$53,509,000	\$46,589,000	+15%

The Board of Directors



R. G. SMITH

Chairman of the Board,
The Maritime Life Assurance Company.
Former President National Sea Products Ltd.

Air Marshal Hugh Campbell,
C.B.E., C.D.
Ottawa, Ontario
Corporate Director

R. Ross Craig
Hamilton, Ontario
Executive Vice-President
Commercial
Dominion Foundries & Steel
Company

John T. Longmoore
Boston, Massachusetts
Vice-President
John Hancock Mutual Life Insurance Company

Victor A. Lutnicki
Boston, Massachusetts
Executive Vice-President, Group
Operations, John Hancock Mutual
Life Insurance Company

C. E. MacCulloch
Halifax, Nova Scotia
President, MacCulloch &
Company Limited

G. B. Robertson, Q.C.
Halifax, Nova Scotia
Senior Partner, McInnes, Cooper
& Robertson

H. R. Cohen, Q.C.
Moncton, New Brunswick
Senior Partner, H. R. Cohen

O. M. Ericksen
Halifax, Nova Scotia
President and Chief Executive
Officer, The Maritime Life
Assurance Company

Arthur R. Lundrigan
Corner Brook, Newfoundland
President and Chief Executive
Lundrigan's Limited

Georges H. Mercier
Montreal, Quebec
Corporate Director

Donald McInnes, Q.C., L.L.D., D.C.L.
Halifax, Nova Scotia
Senior Partner, McInnes, Cooper
& Robertson

Paul R. Weaver
Boston, Massachusetts
Senior Vice-President
Field Management & Marketing
John Hancock Mutual Life
Insurance Company

William C. Whittemore
Boston, Massachusetts
Senior Vice-President & Treasurer,
John Hancock Mutual Life Insurance
Company

HONORARY DIRECTORS

W. H. C. Schwartz
Halifax, Nova Scotia
Honorary Chairman of the Board
The Maritime Life Assurance Company
Chairman of the Board, W. H. Schwartz & Sons Limited

Bernard Lockwood, F.F.A.
Halifax, Nova Scotia
Former General Manager
The Maritime Life Assurance Company

J. A. Walker, Q.C., L.L.D., K.C.S.G.
Halifax, Nova Scotia
Senior Partner, Walker, Dunlop,
Bushell & Caldwell

Directors' Report



O. M. ERICKSEN

On behalf of the Board of Directors, I am pleased to submit the 50th Annual Report of the Maritime Life Assurance Company.

1973, our Golden Jubilee year, was a year of outstanding achievement.

Sales of individual insurance (as measured by annualized premium) were \$2,587,000 as compared with \$1,786,000 in 1972, an increase of 45%. Annualized premiums of Group sales were \$2,802,000, as compared with \$1,061,000 in 1972, an increase of 164%. The total new premium in both Individual

and Group exceeded \$5,389,000.

In the marketing organization, the Company opened a third branch in Nova Scotia as part of its commitment to the balanced growth of the branch and general agency systems of distribution. Sales growth in Eastern, Central, and Western Canada has far exceeded objectives and is a tribute to our dedicated field force.

Our Armed Services Division is continuing to provide professional service and counselling to the Canadian Armed Forces globally. Here, too, sales results again exceeded

expectations. During 1973, an office was opened in Calgary from which the ASD will further develop its operations in Western Canada.

For the year on operating results, sales are up sharply; expense levels have been controlled; and profitability is considerably better than expected.

During the year, a further 12,500 shares having a par value of \$5 per share were issued and sold at a price of \$100 each.

The net rate of interest earned increased from 6.11% in 1972 to 6.60% in 1973 and Company assets rose from \$46.5 million to \$53.5 million.

Construction of our new 8-storey Head Office building was delayed by strikes, but we finally moved on November 10, 1973. Our new building was planned with the needs and goals of tomorrow in mind, and we are extremely pleased with the superior facilities and location. A ceremony was held on January 30, 1974 at which the Premier of Nova Scotia cut the ribbon officially opening the new building.

Within the Head Office administration, the Company has upgraded its computer facilities by replacing its own in-house computer with the shared use of one of the most powerful computers in Canada. This new arrangement will greatly enhance our administrative capacity, and will enable us to concentrate on further systems developments in the year ahead.

Another innovation at the Head Office has been the trial

introduction of a system of flexible working hours for all staff. This enables employees to select their own working hours (within certain overall limits), and early reaction to this program has been most favourable.

At the Senior Management level, Mr. Michael L. Hepher was elected Vice President, Insurance Operations, and Mr. J. Ben Prince, Vice President and Director of Agencies.

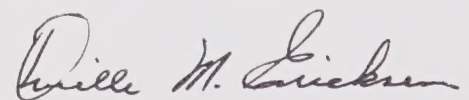
Dr. C. A. Gordon, formerly Associate Medical Director, has been appointed Medical Director, and Dr. S. T. Laufer is now the Senior Medical Consultant.

Our subsidiary company, The Maritime Life (Caribbean) Ltd., has completed its second year of operation. This company is well established in Trinidad and Tobago and is building a solid foundation for future growth.

During 1973, we made arrangements to transfer our business in Jamaica to a local company, the Life of Jamaica Ltd. Our policyholders there who had originally purchased life insurance from Maritime Life will be well served by this very fine company.

1973 has been a record year in the history of Maritime Life. We congratulate our Field and Head Office associates for this achievement. To all these people, we say a sincere "Thank you." We are grateful for your help and support.

We will continue to put forth our best efforts to build for a better tomorrow - to provide an essential service to our policyholders on the most professional of levels, and to provide challenge and opportunity to our valued and dedicated personnel.



O. M. Ericksen
President and Chief Executive Officer
February 21, 1974

Marketing

1973 was an exceptional year for the marketing operations of Maritime Life, both Ordinary and Group. The sales results have been reported elsewhere, but of even greater interest is the Company's continuing penetration into new Canadian markets.

In all parts of the country the name "Maritime Life" is becoming widely recognized as new offices and agencies are developed, and as a further 55,000 Canadians became insured by Maritime's Group operations.

The Company will continue this process of sound growth by further upgrading its program of education and dissemination of advanced estate planning information to its representatives. Backed by aggressive actuarial and administrative support, the future for all those in the marketing operations of the Company never looked brighter.

Comparative Statement of Operations

(in thousands of dollars)

	1973	1972
INCOME		
Premiums	\$15,955	\$13,017
Consideration for Settlement Annuities	684	555
Investment Income, including Market Value		
Adjustments related to Variable Benefits	2,157	2,941
	<u>\$18,796</u>	<u>\$16,513</u>
DISPOSITION OF INCOME		
Policy Benefits	\$6,674	\$5,469
Provision for Future Policy Benefits	5,516	5,932
Dividends to Policyholders	962	983
Interest Items and Pension Funds	302	220
Expenses, Commission and Taxes	6,589	5,271
	<u>20,043</u>	<u>17,875</u>
NET DEFICIT FROM OPERATIONS	<u>\$ 1,247</u>	<u>\$ 1,362</u>

Comparative Statement of Surplus

(in thousands of dollars)

	1973	1972
Surplus Beginning of Period	\$ 1,960	\$ 1,116
Paid-in Surplus	1,188	1,604
Gain on Sale of Foreign Business	525	686
Net Currency Adjustments	—	(2)
Special Actuarial Reserve Decrease	89	—
From Operations (deficit)	(1,247)	(1,362)
Net Capital Gain (Loss) on Investments	55	(82)
Surplus End of Period	<u>\$ 2,570</u>	<u>\$ 1,960</u>

Comparative Balance Sheet

(in thousands)

ASSETS

	1973	1972
Bonds, at Amortized Cost	\$15,482	\$18,247
Stocks, at Cost	2,145	2,302
Guaranteed Investment Certificates	252	—
Stocks and Other Items held for the Account of Variable Benefits, at Market	5,006	3,256
Mortgages, at Amortized Principal	19,041	13,195
Real Estate	2,827	1,447
Policy Loans	3,182	3,323
Cash	3,238	2,870
Investment Income, Due and Accrued	672	648
Outstanding Premiums	1,198	509
Investment in and balances with Maritime Life (Caribbean) Limited	408	369
Other Assets	58	23
	<hr/>	<hr/>
	\$53,509	\$46,189
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NOTE:

The Reserve for Investments is more than sufficient to cover the excess of carrying values of the Assets over the values authorized by the Canadian and British Insurance Companies Act.

et as at December 31st

(dollars)

LIABILITIES, CAPITAL and SURPLUS

	1973	1972
Policyholders		
Provision for Future Benefits	\$37,751	\$33,673
Provision for Dividends	1,278	1,249
Outstanding and Unreported Claims	2,567	1,914
Amounts Left on Deposit	3,366	2,853
	<hr/>	<hr/>
	\$44,962	\$39,689
Bank Advances	\$ 373	\$ 263
Pension Funds	488	473
Provision for Retired Employees	68	68
Miscellaneous Liabilities	2,512	1,263
Reserve for Investments	1,600	1,600
Capital Stock Paid-up	936	873
Surplus	2,570	1,960
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	\$53,509	\$46,189
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Signed on behalf of the Board

R. G. Smith, Chairman of the Board
O. M. Ericksen, President

Actuary's Certificate

I hereby certify that the sum of \$37,751,000 shown in the Balance Sheet of The Maritime Life Assurance Company as the actuarial reserve as at 31 December 1973 for Insurance, Annuity and Accident and Sickness benefit contracts in force (including the liabilities in respect of variable benefits) is

not less than the reserves required by the provisions of the Canadian and British Insurance Companies Act. In my opinion, these reserves make good and sufficient provision for all unmatured obligations of the company guaranteed under the terms of its policies.

January 18, 1974

B. L. Burnell,
Vice-President and Chief Actuary

Auditors' Report

We have examined the balance sheet of The Maritime Life Assurance Company as at December 31, 1973 and the statements of operations and surplus for the year then ended, and report that the investments in stocks and bonds were verified by count or confirmation and agreed with the books of the company as at December 31, 1973. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we consider necessary in the circumstances.

Policy reserves and other actuarial liabilities are stated at amounts certified by the company's Actuary and have not otherwise been verified by us.

In our opinion, these financial statements present fairly the financial position of the company as at December 31, 1973 and the results of its operations for the year then ended, in accordance with generally accepted accounting principles of the insurance industry.

Halifax, N.S.
January 30, 1974

Riddell, Stead & Co.
Chartered Accountants

Administration

The remarkable performance of the field organization in 1973 put the Head Office and Field Administration to the test. The strong team provided excellent support in all areas and administrative efficiency by year-end was at a most satisfactory level. This efficiency was achieved without adding to Head Office staff.

Much emphasis was placed on developing the knowledge and education of the Head Office staff. Many job changes at all levels occurred in order to broaden the individuals' experience and to offer challenging opportunities. Success rates in the LOMA professional examinations were very pleasing and the Company is proud of its 13 fully qualified FLMI's. Also, there are now 3 fully qualified Actuaries and 7 Associate Actuaries employed in the Company.



New Head Office Building

Maritime Life's rapid growth in recent years led to the decision in 1970 to construct a new Head Office building. The Company was fortunate to acquire a 4-acre site on Dutch Village Road overlooking the picturesque North West Arm. This property was previously owned by Bernard Lockwood, the first General Manager of the Company.

After a unique and exciting design for the building had been chosen, the contract for its construction was signed in April 1972.

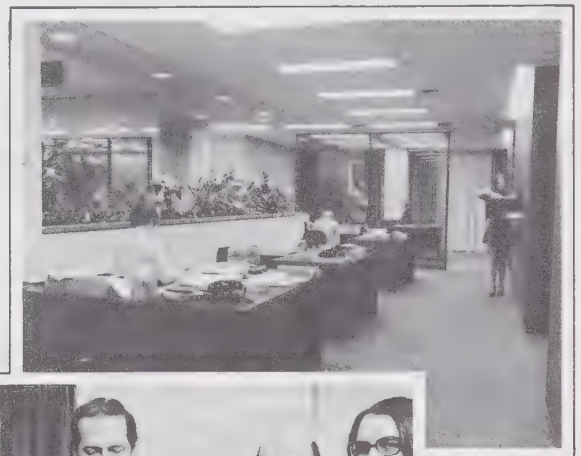
The Premier of Nova Scotia officially turned the first sod in May 1972 and work began.

The move to the new quarters took place in November 1973, and the Premier of the Province officially opened the building on January 30, 1974.

The 8-storey building is mainly occupied by Maritime Life and the remaining space has been leased to tenants.

Set in beautiful surroundings, the mirror-glass building is one of the most prestigious in Eastern Canada. It is equipped with many modern features and offers most enjoyable working conditions.

This forward-looking building truly reflects Maritime Life's aggressive and ambitious plans for the future.



The Management Team

Executive Officers

O. M. Ericksen
President & Chief Executive
Officer

B. L. Burnell, F.I.A., F.C.I.A., A.S.A.
Vice President & Chief Actuary

K. A. Mader, C.A.
Vice President & Treasurer

J. B. Prince
Vice President & Director of Agencies

M. L. Hepher, F.I.A., F.C.I.A., A.S.A.
Vice President - Insurance Operations
& Corporate Secretary

J. J. Neilson
Vice President - Director of Administration

R. E. Tierney
Vice President Group Operations

Agency and Administration

W. K. Webb, C.L.U.
Field Vice President

W. A. Black, A.S.A.
Manager, Group Underwriting

J. A. Bobbitt, F.L.M.I.
Manager - Special Assignment

H. J. Dobson, C.D.P.
Manager, Group
Administration

J. H. Hodgson, F.S.A., F.C.I.A.
Associate Actuary

L. R. McNeilly
Manager, Group Claims

W. G. Patterson, F.L.M.I.
Investment Comptroller

J. M. Woods, F.L.M.I.
Manager, Accounts

E. N. Blinn, C.D.P.
Accountant

E. Bremermann, F.L.M.I.
Manager, Data Processing

T. D. M. Hardy
Manager, New Business

A. M. Holmes, F.L.M.I.
Manager, Policyholder
Service

T. M. Moffatt, A.S.A., F.L.M.I.
Manager, Agency Actuarial

R. V. Timmins
Chief Underwriter

R.E. Wornell
Acting Manager, Agency
Administration

Dr. Charles A. Gordon, F.R.C.P. (C),
F.A.C.P., F.C.C.P., F.A.C.C.
Medical Director

Dr. S.T. Laufer, F.R.C.P. (C),
F.A.C.P., F.A.C.C.
Senior Medical Consultant

The Field Organization

EASTERN DIVISION

Cape Breton Branch
G. E. Sampson
Branch Manager
Cape Breton Shopping Plaza
43 Keltic Drive
Sydney River, N. S.

Corner Brook Branch
W. W. Roberts
Branch Manager
Millbrook Shopping Centre
Suite 322
Corner Brook, Nfld.

Moncton Branch
G. A. Bray, Branch Manager
1111 Main Street
Moncton, N. B.

Nova Scotia East Branch
A. G. Anderson
Branch Manager
Gulf Building, 8th Floor
6009 Quinpool Road
Halifax, N. S.

Nova Scotia West Branch
C. G. Mooy, Branch Manager
Offices:
1525 Birmingham Street
Halifax, N. S.
B3J 2J6
31 Webster Street
Kentville, N. S.
B4N 1H4

Prince Edward Island Office
Curry Building
Queen Street
Charlottetown, P. E. I.

George Rideout & Associates Limited
Millbrook Shopping Centre
Suite 307
Corner Brook, Nfld.

St. John's Branch
B. F. Maunder
Branch Manager
Jack Green Building
O'Leary Avenue
St. John's, Nfld.
A1C 5Z7

CENTRAL DIVISION

Advisory Insurance Agencies Limited
Suite 920, Victoria Tower
44 Victoria Street
Toronto 1, Ont.

Barker-Levin & Associates Limited
1115 Sherbrooke Street West
Suite 2001
Montreal 110, Que.
H3A 1H3

Robert H. Bradshaw Associates Limited
350 Bay Street
Toronto, Ontario
M5H 2S6

Charney-Miller Associates Limited
6420 Victoria Avenue, Suite 10
Montreal 252, Que.

Chartlife Insurance Agency Limited
1115 Sherbrooke Street West
Suite 2001
Montreal 110, Que.

Diamond & Tucker Limited
2050 Mansfield Street
Montreal, Que.

Manuel Smith Associates Limited
5165 Sherbrooke Street West
Montreal 260, Que.

Montreal West Branch
M. A. Turgeon, C.L.U.
Branch Manager
50 Place Cremazie, Suite 208
Montreal 351, Que.
H2P 2R4

Ottawa Valley Branch
B. F. Noonan, C.L.U.
Branch Manager
Perth Masonic Temple Building
61 Foster Street
Perth, Ont.

Toronto Branch
G. D. Jarvis
Branch Manager
25 Overlea Blvd., Suite 350
Toronto, Ontario
M4H 1B4

ARMED SERVICES DIVISION

Principal Office - Ottawa
 G. J. Thomas
 Field Vice President
 170 Metcalfe Street
 Ottawa 4, Ontario
 K2P 1P3

Western Office - Calgary
 3224-28th Street S.W.
 Calgary, Alberta
 T2E 2J6

SOUTHERN DIVISION

J. S. Darrell & Company Ltd.
 P. O. Box 838
 Hamilton 5-24, Bermuda

GROUP SALES OFFICES

Halifax
 W. J. Luedey, Manager
 Group Sales - Atlantic Provinces
 1525 Birmingham Street
 Halifax, N. S.

Toronto
 J. S. Allison, Group Manager
 T. Malabar, Manager, Group Claims
 25 Overlea Blvd., Suite 350
 Toronto, Ontario

WESTERN DIVISION

B. C. Regional Office
 D. L. Schindle
 Regional Manager
 4371 Fraser Street
 Vancouver, B. C.
 V5V 4G4

Block Bros. & Robertson Limited
 725 Carnarvon Street
 New Westminster, B. C.

Davidson Agency
 4371 Fraser Street
 Vancouver, B. C.
 V5V 4G4

Ed Martyn & Associates
 3224-28th Street S.W.
 Calgary, Alberta
 T2E 2J6

J. K. Sloan & Associates
 P. O. Box 9
 Nelson, B. C.

Emery H. Lalonde & Associates Limited
 Ste. 104-1037 West Broadway
 Vancouver, B. C.

TEC Insurance Agencies Ltd.
 201 Brentwood Plaza
 4567 Lougheed Highway
 Burnaby, B. C.

MARITIME LIFE (CARIBBEAN) LIMITED
 Subsidiary Company

M. M. deSouza, F.I.S., F.I.A.
 Managing Director

H. P. Eastman
 Superintendent of Agencies

A. E. Joseph
 Secretary & Financial Comptroller

60 Frederick Street
 Port-of-Spain, Trinidad

The Maritime Life Assurance Company
P. O. Box 1030
Halifax, N.S. B3J 2X5